Introduced by Senator Margett

February 17, 2005

An act to add Section—21431 21431.5 to the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 379, as amended, Margett. Public employees' retirement: disability retirement benefits.

Under existing law, a local safety member of the Public Employees' Retirement System who retires for industrial disability receives a disability retirement allowance equal to a specified percentage of his or her final compensation or, if he or she is eligible to retire for service, his or her service retirement allowance if that allowance is greater.

This bill would provide that the industrial disability allowance of a local safety member who retires *for industrial disability retirement* prior to minimum retirement age, as defined, shall be increased, when he or she attains minimum retirement age, to the amount the member would have received had he or she attained minimum retirement age at the time of retirement, if that amount is greater.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section—21431 21431.5 is added to the
- 2 Government Code, to read:

 $SB 379 \qquad \qquad -2-$

21431.

 21431.5. (a) This section shall apply to local safety members who have retired for industrial disability prior to attaining minimum retirement age. As used in this section, "minimum retirement age" means the age at which a member may retire for service without an actuarial discount because of age.

- (b) Notwithstanding any other provision of this article, when a member described in subdivision (a) attains minimum retirement age, the member's *industrial* disability retirement allowance shall be increased to an amount equal to the service retirement allowance the member would have received if he or she had attained minimum retirement age at the time of retirement. This section shall apply only if the amount of that service retirement allowance is greater than the *industrial* disability retirement allowance otherwise provided by this article. The amount of the service retirement allowance shall be calculated based upon the time of service that the member was credited at the time that the member received the industrial disability retirement.
- (c) This section shall not apply to any contracting agency nor to the employees of any contracting agency unless and until the agency elects to be subject to the provisions of this section by amendment to its contract made in the manner prescribed for approval of contracts, or by express provision in the contract making the contracting agency subject to the provisions of this section.